

**MINUTES  
CITY OF ST. CHARLES  
GOVERNMENT OPERATIONS COMMITTEE  
MONDAY, JANUARY 8, 2018**

**1. Call to Order**

The meeting was convened by Chairman Bancroft at 7:10 pm.

**2. Roll Call**

**Members Present:** Chair Bancroft, Ald. Stellato, Silkaitis, Payleitner, Lemke, Turner, Gaugel, Vitek, Bessner, Lewis

**3. Omnibus Vote**

- a. Budget Revisions – December, 2017

Motion by Ald. Turner, second by Lemke to approve the omnibus item.

**Voice Vote:** Ayes: Unanimous; Nays: None. Chrmn. Bancroft did not vote as Chairman.

**Motion Carried.**

**4. Administrative**

- a. Video Gaming Statistics – Information Only

**5. City Administrator**

- a. Recommendation to approve an Ordinance Amending Title 1 “General Provisions,” Chapter 1.28 “Wards,” Section 1.28.010, “Generally,” Section 1.28.020, “First Ward Established,” Section 1.28.030, “Second Ward Established,” Section 1.28.040, “Third Ward Established,” Section 1.28.050, “Fourth Ward Established,” and Section 1.28.060, “Fifth Ward Established” of the St. Charles Municipal Code.

**Mark Koenen:** This is a clean-up item on the agenda. We noticed that the legal description in the municipal code didn’t match the pictures. We deleted the description and decided to just go with the pictures. The maps are visually understandable by anyone who can read a map. Unless there are any questions, updates or corrections I would request a motion to take to Council for final approval.

Motion by Ald. Turner, second by Vitek to recommend approval of an Ordinance Amending Title 1 “General Provisions,” Chapter 1.28 “Wards,” Section 1.28.010, “Generally,” Section 1.28.020, “First Ward Established,” Section 1.28.030, “Second Ward Established,” Section 1.28.040, “Third Ward Established,” Section 1.28.050, “Fourth Ward Established,” and Section 1.28.060, “Fifth Ward Established” of the St. Charles Municipal Code.

**Ald. Lewis:** Do you have to go through the County at all to make sure we’re on the same page with their mapping?

**Mark Koenen:** We would need to coordinate that pursuant to our code revision. When that’s completed we will certainly reach out to the County Elections Office.

**Voice Vote:** Ayes: Unanimous; Nays: None. Chrmn. Bancroft did not vote as Chairman.

**Motion Carried.**

**6. Police Department**

- a. Recommendation to approve a Resolution and Amplification Equipment for the 2018 St. Patrick's Day Parade.

**Chief Keegan:** The parade will take place on Saturday, March 10, 2018. The street closures and associated materials are in your packets. As is customary we need a resolution to request the closure from IDOT and we will be using amplification.

Motion by Ald. Stellato, second by Gaugel to recommend an approval of a Resolution and Amplification Equipment for the 2018 St. Patrick's Day Parade.

**Voice Vote:** Ayes: Unanimous; Nays: None. Chrmn. Bancroft did not vote as Chairman.  
**Motion Carried.**

**7. Finance Department**

- a. Recommendation to approve a Resolution Abating a Portion of the 2017 Property Tax Heretofore Levied for the City of St. Charles.

**Chris Minick:** As the Committee is aware the City has a long standing practice of abating and removing the debt portion of the City's property tax levy pertaining to its general obligation bonds on an annual basis. Seeking this action results in the removal of millions of dollars from the City's property tax levy, the resulting principal and interest payments for the City's general obligation bonds are then made from the general revenue stream of the City of St. Charles.

In December, as part of the property tax levy presentation the Committee will recall staff expressed its intent to continue the practice for the 2017 tax levy year, to be collected by the City in calendar year 2018. As a result of that resolutions are included in the packet to remove approximately \$7.329M from the City's 2017 property tax levy related to the general obligation bonds we have outstanding. If approved this would result in an operating levy and property tax levy of \$12,055,117. As the committee is aware this will mark the 9<sup>th</sup> straight year that the levy will be frozen at that amount. Staff does recommend approval.

Motion by Ald. Stellato, second by Silkaitis to recommend approval of a Resolution Abating a Portion of the 2017 Property Tax Heretofore Levied for the City of St. Charles.

**Voice Vote:** Ayes: Unanimous; Nays: None. Chrmn. Bancroft did not vote as Chairman.  
**Motion Carried.**

- b. Presentation Update Regarding the City's Preliminary Financial Results for 2<sup>nd</sup> Quarter ending October 31, 2017.

**Chris Minick:** Also included in the packet is the 2nd quarter operating results for the City for the period ending October 31, 2017. The forecasted results for the FY ending in April are not significantly different than the expectations than the budgeted amounts we've had. Generally the revenues among the 4 major operating funds, the general fund, the operating fund, the water fund and the waste water fund are running anywhere from approximately .5% - 2% below budget. However, our expenditure levels for those same 4 funds are actually running from 1% - 3% below budget as well. This results in better than budgeted operating results for

the fiscal year. The general fund is seeing some impacts from some actions that the State has taken related to the budget the State passed in July of 2017. As you recall there was a 10% reduction to income tax revenue the State distributes to the municipalities. That has roughly a \$330,000 impact to the City of St. Charles on an annual basis. Additionally, the State imposed a 2% administrative collection fee on certain taxes collected on behalf of municipalities. In the City's case that actually applies to our Home Rule Sales Tax that has roughly \$110,000 impact on the City on an annual basis. Currently we're forecasting that the general fund will end the FY with about \$196,000 deficit as of October 31, 2017. If the State had not enacted those reductions we would actually be seeing about \$120,000 surplus. We are seeing some impacts from the action the State took.

Additionally, our utility funds are seeing the impacts of a cooler weather summer experienced in 2017. That's the reason for a lot of the revenues coming in under the forecasted budget. Staff recommends the acceptance of the report.

**Ald. Turner:** This is half way through the budget. Some of these figures could fluctuate.

**Chris Minick:** Yes. They will fluctuate as we go through the year. Our third quarter ends at the end of January and I'll be making another presentation.

**Ald. Lemke:** That adjustment by the State to reduce our share of tax collected; is that a 6 month effect that we're seeing, or is that for the entire budget year.

**Chris Minick:** We're seeing it for about 10 months of our fiscal year. The State's fiscal year ends June 30, ours ends April 30 there is a 2 month difference. I should also mention that the 10% reduction in the income tax revenue is anticipated to be a one year reduction only at this point.

**Ald. Lemke:** So what we're seeing is maybe 4 months of that out of 6, and then the next fiscal year for the City there will be 2 more months of that.

**Chris Minick:** Exactly.

**Ald. Payleitner:** This is the quarterly report; it's nothing new, the opening paragraph I read as if it was something new, but it isn't, right?

**Chris Minick:** No, we've been doing this for several years.

**Ald. Payleitner:** Also, it's been made available to all City employees as well?

**Chris Minick:** Yes, it's been posted on iNet.

**Ald. Payleitner:** Good, thank you.

Motion by Ald. Stellato, second by Silkaitis to recommend approval of the Presentation Update Regarding the City's Preliminary Financial Results for 2nd Quarter ending October 31, 2017.

**Voice Vote:** Ayes: Unanimous; Nays: None. Chrmn. Bancroft did not vote as Chairman.

**Motion Carried.**

**8. Information Systems**

- a. Recommendation to authorize staff to award MCC Innovations (MCCi) and annual contract for Laserfiche support and maintenance for \$26,748.

**Michael Drake:** I'm here tonight seeking recommendation to authorize City staff to award MCC Innovations (MCCi) a contract for Laserfiche quarterly maintenance. Laserfiche is the electronic document management system used by the City for archiving documents. It provides workflow tools which are used by several business processes for document review and approval, and has electronic capabilities which are currently being utilized.

Important maintenance for the City's Laserfiche implementation are being provided by MCCi at this point. This includes phone and remote desktop technical support for the software, as well as assistance with our custom work flows, and third party integration for the software. The maintenance portion provides the City with the ability to upgrade the software without having to repurchase licenses. MCCi also provides a service of fully testing and advising if an upgrade has been performed and what issues the upgrade resolves prior to the upgrade being installed on the network. MCCi is to provide services to the effective level set forth by both Laserfiche software to the City with above average technical support and response time. The base cost for support and maintenance has remained stable since last the agreement last year, only increasing because of the purchase of additional licenses.

Motion by Ald. Stellato, second by Silkaitis to Recommend approval to authorize staff to award MCC Innovations (MCCi) and annual contract for Laserfiche support and maintenance for \$26,748.

**Voice Vote:** Ayes: Unanimous; Nays: None. Chrmn. Bancroft did not vote as Chairman.

**Motion Carried.**

Motion by Ald. Lemke, second by Silkaitis to enter into executive session to discuss land acquisition under Property Acquisition at 7:22 pm.

**Roll Call:** Ayes: Stellato, Silkaitis, Payleitner, Lemke, Turner, Gaugel, Vitek, Bessner, Lewis; Nays: None. Chair. Bancroft did not vote as Chairman. **Motion Carried.**

**9. Executive Session**

- Personnel – 5 ILCS 120/2(c)(1)
- Pending Litigation – 5 ILCS 120/2(c)(11)
- Probable or Imminent Litigation – 5 ILCS 120/2(c)(11)
- Property Acquisition – 5 ILCS 120/2(c)(5)
- Collective Bargaining – 5 ILCS 120/2(c)(2)
- Review of Executive Session Minutes – 5 ILCS 120/2(c)(21)

Motion by Ald. Stellato, second by Turner to come out of executive session 8:51 pm.

**Voice Vote:** Ayes: Unanimous; Nays: None. Chair Bancroft did not vote as Chair. **Motion Carried.**

**10. Additional Items from Mayor, Council, Staff, or Citizens.**

**11. Adjournment**

Motion by Ald. Stellato, second by Turner to adjourn the meeting at 8:52 pm.

**Voice Vote:** Ayes: Unanimous; Nays: None. Chair Bancroft did not vote as Chair. **Motion Carried.**

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